

## **SECTION H**

### **SPECIAL CONTRACT REQUIREMENTS**

#### **H.1 GENERAL**

The following paragraphs shall be applicable to all task orders issued under this contract. Additional requirements may be specified in each task order.

#### **H.2 INDEFINITE QUANTITY**

This solicitation will result in Multiple Award Indefinite Quantity (MAIQ) contracts. Total orders placed against all contracts will not exceed \$20,000,000,000.00 over ten years. The total guaranteed minimum for each contract is \$25,000.

The maximum amount for each contract will be \$20,000,000,000.00. However, since the total amount for all contracts will not exceed \$20,000,000,000.00 as more orders are issued under one contract, the value of orders which can be issued under the other contracts drops by an equal amount.

#### **H.3 GSA OFFICES**

GSA offices are responsible for the implementation of this contract and task order activities in their geographical area of responsibility. The offices are currently located as follows: Boston, MA; New York, NY; Philadelphia, PA; Atlanta, GA; Chicago, IL; Kansas City, MO; Fort Worth, TX; Denver, CO; Bremerton, WA; Washington D.C.; Falls Church, VA; Pensacola, FL; Huntsville, AL; San Antonio, TX; San Francisco, CA; Oakland, CA; San Diego, CA; Ventura, CA; Monterey, CA; Honolulu, HI; Phoenix, AZ; and Las Vegas, NV. GSA may establish other offices throughout the life of the contract.

#### **H.4 CONTRACTOR RESPONSIBILITIES**

##### **H.4.1 CONTRACTOR PROVISION OF EQUIPMENT AND SUPPLIES**

Unless otherwise specified in an individual task order, the Contractor shall provide all office equipment including but not limited to, computers/workstations and consumable supplies, used in daily operation or performance of, or in support of this Contract. Refer to Section H.13 concerning reimbursable items.

##### **H.4.2 CONTRACTOR PROVISION OF PERSONNEL SUPPORT**

The Contractor shall provide all management, administrative, clerical, and supervisory functions required for the effective and efficient performance of this Contract.

**H.4.3 RESERVED.****H.5 GOVERNMENT LIABILITY**

The Government shall not be liable for any injury to the Contractor's personnel or damage to the Contractor's property unless such injury or damage is due to negligence on the part of the Government and is recoverable under the Federal Torts Claims Act, or pursuant to another Federal statutory authority.

**H.6 TRANSITION**

Following contract award, GSA will provide contract awardees with a list of designated GSA points of contact.

The contractor shall have management and administrative support in place to receive and respond to task requests within ten days after contract award. Addresses, telephone numbers, and functional responsibilities shall be provided to the PCO at this time.

A smooth and orderly transition between the Contractor and a predecessor or successor Contractor is necessary to ensure minimum disruption to vital Government business. The Contractor shall cooperate fully in the transition.

The contractor shall not recruit on Government premises or otherwise act to disrupt Government business.

**H.7 PHASE OUT OF CONTRACT AND CONTINUITY OF SERVICES**

If a successor contract is awarded prior to the final expiration date of this contract, the Government may issue task orders to the successor contractor prior to the expiration date of this contract.

The contractor must recognize that services under this contract are vital to the Government and must be continued without interruption and that upon contract expiration, a successor, either the Government or another contractor, may continue such services. The contractor agrees to exercise its best efforts and cooperation to effect an orderly and efficient transition.

The incumbent contractor shall maintain adequate administrative and management support for active task orders after contract expiration until the end of the performance period specified in the order.

The contractor shall provide phase-in, phase-out services, at no additional cost to the Government, as long as there is any active task order. Appropriate task management personnel shall meet with the successor contractor to coordinate task transition. Discussions shall include personnel transition to the

successor contractor, and the transition of task specific items such as Government or contractor furnished supplies, materials, equipment, and services.

The contractor shall disclose necessary information to allow the successor to conduct interviews for possible transition. If selected employees are agreeable to the change, the incumbent contractor shall grant release at a mutually agreed date and negotiate transfer of the employee's earned fringe benefits.

## **H.8 CONTRACTOR PERFORMANCE**

### **H.8.1 AVAILABILITY**

Contractor management staff shall be available to meet either face to face or via a conference method (teleconference, videoconference, etc.) of the government's choosing within 24 hours of such a request being made.

### **H.8.2 SUPERVISION**

The Contractor-supplied personnel are employees of the Contractor and under the administrative control and supervision of the Contractor. The Contractor, through its personnel, shall perform the tasks prescribed herein and in TOs issued hereunder. The Contractor shall select, supervise, and exercise control and direction over its employees under this Contract. The Contractor shall not supervise, direct, or control the activities of Government personnel or the employee of any other Contractor. The Government shall not exercise any supervision or control over the Contractor in the performance of contractual services under this Contract. The Contractor is accountable to the Government for the actions of its personnel.

Each awarded task will have an assigned task leader. Task leaders are working members of task teams and should not be expected to maintain all supervisory functions at the task level. The contractor shall supervise task order employees with indirect management personnel. In performance of this contract, the contractor's management responsibilities include, but are not limited to, the following:

- Ensure employees understand the work to be performed on task orders to which they are assigned.
- Ensure employees know their management chain and adhere to company policies and exhibit professional conduct to perform in the best interest of the government.
- Ensure employees adhere to applicable law and regulation governing contractor performance and relationships with the government.
- Ensure contract employees do not create actual or apparent personal service relationships.
- Regularly assess employee performance and provide feedback to improve overall task performance.
- Ensure high quality results are achieved through task performance.

This contract does not assume or require any hierarchical structure (e.g., a Group Manager per X people).

### **H.8.3 TECHNOLOGY CURRENCY**

Contractor staff performing on task orders shall maintain currency on leading edge and state-of-the-art technologies and methods. The government may provide additional training at its discretion.

## **H.9 FACILITIES, SUPPLIES AND SERVICES**

### **H.9.1 CONTRACTOR SUPPLIED**

The contractor shall furnish the following at no direct cost to the Government:

- a. Contract-related services are administrative and management functions necessary to support the contract, and the hardware, software, and communications systems necessary to interface effectively and efficiently with the GSA. These include, but are not limited to: financial management, recruiting, interviewing, training, payroll preparation, travel arrangements, task proposal preparation, obtaining security clearances, contracting, and clerical support.
- b. Office and working space for contract-related services.
- c. Office equipment and expenses necessary to perform contract-related services including: IT and network operations, printing, photocopying, communications, postage, express mail, paper and copying supplies, local and long distance telephone service, and other services, equipment and supplies required in support of this contract.
- d. Proposed tools and methodologies

### **H.9.2 GOVERNMENT FURNISHED ITEMS**

Government-furnished items will be identified in individual TOs, as appropriate.

#### **H.9.2.1 TRANSPORTATION OF GOVERNMENT-FURNISHED ITEMS**

The Contractor shall be responsible for transporting all Government-Furnished Items (GFI) between the Government site and the Contractor's place of performance. Pickup and delivery of all materials shall be in accordance with the schedule defined for each specific requirement.

#### **H.9.2.2 VALIDATION OF GOVERNMENT-FURNISHED ITEMS**

The following procedures apply to the validation of GFI:

- a. Within 3 workdays of receipt of any GFI, the Contractor shall validate the accuracy of the materials and notify the ACO of any discrepancies.
- b. Validation shall consist of the Contractor checking for physical and logical completeness and accuracy. Physical completeness and accuracy shall be determined when all materials defined as Government-furnished minimums are provided. Logical completeness and accuracy shall be determined when all materials defined as minimums and associated with a program, system, or work package are provided.
- c. GFI errors or discrepancies shall be consolidated and the ACO notified using the Problem Notification Report. See Section J, Attachment 9 for the format of this report.
- d. The Contractor shall proceed with the requirements on the remaining materials pending Government resolution. The Government will respond with a resolution of the errors not later than 5 workdays after receipt of the written report.
- e. Errors found after the 3 workday period shall be reported to the ACO, using the Problem Notification Report, as soon as possible after identification of such errors or discrepancies. Action to be taken by the Government on these identified problems will be determined by the ACO.

#### **H.9.2.3 HANDLING OF GOVERNMENT-FURNISHED ITEMS**

The Contractor shall protect from unauthorized disclosure any materials or information made available by the Government, or that the Contractor has access to by virtue of the provisions of this Contract, that are not intended for public disclosure.

The materials and information provided to the Contractor by the Government or that the contractor had access to in completing work under this contract, are the exclusive property of the Government. Upon completion or termination of this contract, the Contractor shall return all information and materials (copies included) that were provided to the Contractor by the Government. Any other materials/information developed or delivered by the Contractor in performance of this contract shall be delivered in accordance with FAR 52.227-14.

#### **H.9.3 CONTRACTOR SITE TASK ORDER RELATED SERVICES**

The breakdown of government site and contractor site efforts is unknown.

- a. Contractor site task order related services. A task order may direct that required work be performed at a facility to be furnished by the contractor. The task order may also indicate restrictions on the location of the contractor's facility such as, within 60 minutes of the client's facility, or within 30 miles of the client's facility.

b. Contractor facilities (both management and task order sites) shall be able to support necessary contract and task order requirements. This shall include, at no direct cost to the Government, the following office items:

- (1) Office, workspace, telephone and Internet access
- (2) State of the art equipment with reasonable refreshment, including computer hardware, software, networks, electronic interfaces to company and GSA; and on task orders, to client systems
- (3) Materials, supplies and services
- (4) Security systems, devices and equipment, including safeguarding of classified materials to the secret level

## **H.10 MARKETING EFFORTS**

The contractor is responsible for ongoing marketing efforts during the life of this contract as specified below. The contractor shall provide information on its marketing efforts as specified in the Contract Status Report (see Section J, Attachment J-3). These efforts shall commence not later than 30 calendar days after contract award, subject to the following:

- a. All marketing brochures shall conform to the requirements of the GSAR 552.203-71, see Section I.11, and be approved by the PCO prior to issuance
- b. Contractors shall not assist prospective client agencies in the development of future requirements or provide preliminary estimates, except as provided for in an existing task order
- c. Contractors shall not charge marketing costs as a direct cost item
- d. Approval for marketing by the contractor does not obligate GSA to undertake, under this contract, any potential work identified

### **H.10.1 MARKETING CALLS**

The contractor shall prepare and give formal presentations to prospective clients on the contract when requested by the Government. These presentations will be consistent with materials previously reviewed and approved for use by GSA.

**H.10.2 MARKETING MATERIALS**

The contractor shall provide marketing materials which will enhance program and service visibility. The contractor shall provide sample marketing materials to the PCO or his designee prior to distribution. GSA will have five working days to review and approve materials.

**H.11 LIMITATION OF WARRANTY FOR GOVERNMENT FURNISHED SOFTWARE**

In lieu of any other warranty expressed or implied herein, the Government warrants that any programming aids and software packages supplied for contractor use as Government-furnished property shall be suitable for their intended use on the system(s) for which designed. In the case of programming aids and software packages acquired by the Government from a commercial source, such warranty is limited to that set forth in the contractual document covering the product(s).

Should Government-furnished programming aids or software packages not be suitable for their intended use on the system(s) for which designed, except where such property is furnished "as is," the contractor shall notify the ITM and CR and supply documentation regarding any defects and their effect on progress under this contract. The ACO will consider equitably adjusting the delivery performance dates or task order price, or both, and any other contractual provision affected by the Government-furnished property in accordance with the procedures provided for in the clause of this contract entitled "Changes".

**H.12 STANDARDS OF CONDUCT AND RESTRICTIONS**

The Contractor shall adhere to the same professional and ethical standards of conduct required of Government personnel. The Contractor shall not:

- a. Discuss with unauthorized persons any information obtained in the performance of work under this Contract;
- b. Conduct business, other than that which is covered by this Contract, during periods paid by the Government;
- c. Conduct business not directly related to this Contract on Government premises;
- d. Use computer systems and/or other Government facilities for company or personal business; or
- e. Recruit on Government premises or otherwise act to disrupt official Government business.

## **H.13 REIMBURSABLE ITEMS**

### **H.13.1 TRAVEL**

Travel requirements will be identified at the time a Task Order Request (TOR) is issued. Travel requirements may also be identified during the course of a TO. These requirements may be identified by the Government or by the Contractor. If the Contractor identifies a requirement for travel within the scope of a TO, the Contractor shall submit to the individual designated in the order a request for approval for such travel.

#### **H.13.1.1 PRIOR APPROVAL**

Before undertaking any travel in performance of this Contract, the Contractor shall have the travel coordinated and approved by the individual designated in the task order. Notification shall include, at a minimum, the number of persons in the party, traveler name, destination, duration of stay, purpose, and estimated cost.

#### **H.13.1.2 EXTENT OF TRAVEL**

The Contractor may be required to travel worldwide as specified in each TO.

#### **H.13.1.3 METHOD OF REIMBURSEMENT**

Individual TOs will include guidance as to whether travel expenses are to be included as a fixed price or whether travel expenses will be reimbursed as a not to exceed amount. The number of trips, destinations, length of stay, and cost required for completion of travel will be negotiated for each TO. All travel required and approved by the Government will be reimbursed as part of the TO. Not to exceed travel costs shall be reimbursed in accordance with the FTR plus the ODC multiplier.

#### **H.13.1.4 LOCAL TRAVEL**

Local travel will be reimbursed as specified in the task order. The contractor may be reimbursed for local travel of personnel between multiple places of performance within a task order, not to exceed the amount authorized by the task order for such travel. Local travel is defined here to mean any and all travel within a fifty (50) mile radius of the primary work site identified in the task order (excluding normal commuting travel). The contractor will not be reimbursed for travel of its employees to and from their residence and their assigned regular duty station

### **H.13.2 TOOLS**

Millennia Lite is considered to be a "solutions based contract". This term refers to contracts that encompass everything from the analysis of hardware/software tools used for implementation to ongoing operational support of an Information Technology (IT) solution.



The Government may require the Contractor to purchase hardware, software, and related supplies critical and related to the services being acquired under the TO. Such requirements will be identified at the time a TOR is issued or may be identified during the course of a TO, by the Government or the Contractor and tools purchased shall become the property of the government. If the Contractor proposes the purchase of tools within the scope of a TO tasking, the Contractor shall submit to the Government COTR a request to initiate purchase of such tools. The request shall include the purpose, specific items, estimated cost, cost comparison, and rationale. If approved and the task order is modified, the contractor may proceed with the purchase. All purchases under this paragraph shall be made in accordance with the Federal Acquisition Regulation.

The PCO reserves the right to review individual TOs to determine if the provisions of this clause are being applied appropriately.

### **H.13.3 OTHER DIRECT COSTS**

The Government may require the Contractor to incur ODCs. Such requirements will be identified at the time a TOR is issued or may be identified during the course of a TO, by the Government or the Contractor. Reimbursement will be made as specified in each TO.

### **H.14 FACILITY ACCESS**

When applicable, the Contractor shall arrange with the ITM/COTR/Agency Representative procedures for means of access to premises, delivery and storage of materials and equipment, use of approaches, use of corridors, stairways, elevators, and similar matters. Any requests received by the Contractor to change the sequence or scope of this access shall be referred to the ITM/COTR/Agency Representative.

#### **H.14.1 PERSONNEL ACCESS**

During the life of this Contract, the contractor's personnel shall have access to Government facilities as required. During all operations on Government premises, the Contractor's personnel shall comply with the rules and regulations governing the conduct of personnel and the operation of the facility. The Government reserves the right to require Contractor personnel to "sign-in" upon entry and "sign-out" upon departure from the Government facilities. Certain Government agencies may have security requirements which necessitate the use of building access passes. When this is the case, the Contractor will be apprised in the TO.

### **H.15 SECURITY REQUIREMENTS**

Although it is unknown exactly how many persons will be required to have any and all levels of security clearance, the Government may require security clearances, perhaps higher than top secret (top secret

specialized compartmentalized information), for performance of any TO under this Contract. If satisfactory security arrangements cannot be made with the Contractor, the required services shall be obtained from other sources.

The level of classified access required shall be indicated in the statement of work or other appropriate form incorporated into each TOR requiring access to classified information. Contractor personnel are required to have background investigations for suitability if they occupy positions of trust (e.g. systems administrator) even if they do not have access to classified information.

The contractor shall bear the cost of any security clearances required for task order performance.

## **H.16 LIMITED USE OF DATA AND INFORMATION**

In the performance of services under this contract, the contractor may be required to perform operations on, have access to, or handle data and information which contain classified, sensitive, proprietary, or privacy information or data. The contractor shall be responsible for safeguarding the information and data while under the control of or available to the contractor, and to prevent it from being compromised, altered, damaged, lost, or improperly disseminated. The CO may require contractor personnel on a particular task order to sign "no conflict of interest" and "non-disclosure" statements as a requirement for assignment to a task. Contractor personnel who sign such statements shall be briefed on the meaning and restrictions associated with "conflict of interest" and "non-disclosure".

Contractor personnel shall not divulge or release privacy data or information developed or obtained in the performance of this contract, until made public or specifically authorized by the Government. Classified information will be handled in accordance with the provided DD254. The contractor shall not use, disclose or reproduce third party companies' proprietary data, other than as authorized and required in the performance of this contract.

Data, information, or knowledge obtained as a result of working on a task order, may fall into special categories, many of which are indicated above, or may have special client sensitivity. Contractor employees working on a task order may not know the sensitivity of data, information, or situations observed, therefore, it is best to consider all information obtained on a task as sensitive. The contractor shall ensure that task personnel receive special briefings as required by Government regulations and procedures, and include for all task personnel, briefings on the sensitivity of operations, data, and information on any task, and their responsibility for safeguarding and avoiding unauthorized dissemination of any information obtained as a result of performance on a task order.

The limitations noted in the preceding paragraphs do not apply to data or information which has been made public by the Government. Further, this provision does not preclude the use of any data independently acquired by the contractor without such limitations, or prohibit an agreement, at no cost

to the Government, between the contractor and the data owner which provides for greater rights to the contractor.

## **H.17 PERSONNEL**

### **H.17.1 PERSONNEL QUALIFICATIONS**

Attachment J-1 contains the contract labor category descriptions. The contract labor category descriptions provide the minimum capabilities for the labor categories listed in Section B.

The labor category descriptions depict the types of personnel that shall typically be provided by the Contractor in support of TOs. Individual TOs may require contractor employees to have specific expertise or industry certifications needed for a specific project.

### **H.17.2 KEY PERSONNEL AND PERSONNEL SUBSTITUTIONS**

Key personnel are those personnel considered essential to successful contractor performance. Key personnel are the Program Manager and other personnel providing supervision. This contract does not assume or require any hierarchical structure (i.e. Contract Project Manager, Group Manager per X people).

The Program Manager shall begin work within two weeks of contract award and shall remain in the position for a minimum of twelve months from the effective date of reporting to the contract. During this period, no replacement shall be permitted unless necessitated by an individual's extreme illness, death, termination of employment, or if determined to be in the best interest of the Government. In any of these events, the contractor shall promptly notify the PCO or his designee and replace the Program Manager with a person of equal or superior qualifications within ten working days of notification.

Government shall authorize approval of initial and replacement contractor key personnel. Key personnel on task orders shall not be replaced or reassigned to another task without prior approval of the Government.

When the contractor becomes aware that a task order employee will be, or is unavailable to work under this contract for a continuous period exceeding ten working days, the contractor shall immediately notify the ITM or the appropriate Government representative, and replace such personnel with personnel of equal or superior qualifications, within ten working days of notification or as required by the Government.

Substitutions for key personnel may be made in task staffing under the following conditions:

- a. The contractor shall notify the ITM or appropriate Government representative at least ten working days before making changes in task personnel from one task to another.

b. The contractor shall provide personnel who meet or exceed the capability of the personnel being replaced.

c. Replacement personnel must be approved by the ITM/COTR prior to assignment of the replacement and prior to transfer of the individual.

### **H.17.3 SPECIAL PERSONNEL SKILLS**

Special personnel skills are those for which the expertise required or duties performed for task orders are within the contract scope, but are so specialized or rare that they are not explicitly defined in a skill category description. The ACO will determine whether circumstances warrant use of this special skill category. Based on price or cost analysis, the ACO will negotiate a fair and reasonable labor rate (market rate) with the contractor for the special personnel skill on a task by task basis. Special skills are task order specific and not applicable to the entire contract. If a special skill is negotiated and persists in task performance for more than a 6 month period, the PCO will review the special skill to determine whether it should be included as a standard contract skill through a modification to the contract. The PCO will then negotiate a contract ceiling rate and description for the skill.

### **H.17.4 PERSONNEL CONDUCT**

Personnel assigned by the contractor to work on this contract must be acceptable to the Government in terms of personal and professional conduct. Contractor management shall provide sufficient oversight and supervision to ensure employees (direct or subcontracted), are fulfilling their technical responsibilities and doing so in the best interest of the Government. It is understood that any personnel assigned by the contractor or subcontractor to the performance of the work hereunder, if in conflict with the best interests of the Government, shall be immediately removed from the assigned position. The ACO may elect to direct the retention of an individual on a task until a replacement has been approved, or reported, or until a transition has occurred.

Employment and staffing difficulties shall not be justification for failure to meet established schedules, and if such difficulties impair performance, the contractor may be subject to default.

### **H.17.5 UTILIZATION OF CONTRACTOR'S PROPOSED PERSONNEL**

In order to ensure a smooth and orderly start up of a TO, it is essential that the key personnel specified in the Contractor's proposal for that TO be available on the effective date of the TO. If these personnel are not made available at that time, the Contractor shall provide justification.

**H.17.6 UNSATISFACTORY PERFORMANCE BY CONTRACTOR PERSONNEL**

In the event that the performance of assigned Contractor personnel or any substitute(s) is determined by the Government to be unsatisfactory at any time during the life of the Contract, or any TO issued hereunder, the Government reserves the right to request and receive satisfactory personnel replacement within ten (10) calendar days of receipt by the Contractor of written notification. Notification will include the reason for requesting replacement personnel. Replacement personnel must have the same minimum capabilities as referenced in Attachment

J-1, additional specialized or specific experience identified in the TO, and meet any applicable security requirements.

**H.17.7 RECRUITMENT AND RETENTION OF CONTRACTOR PERSONNEL**

The Contractor is advised that employee recruiting and employee retention practices shall be monitored on a TO basis through the Contract Status Report and Monthly Task Status Report.

**H.18 DECLARATION OF TECHNICAL DATA****H.18.1 APPLICABILITY**

This clause shall apply to all data delivered, or required to be delivered, at any time during the life of the Contract. "Data" under this clause includes manuals, reports, etc. required to be submitted by the Contractor.

**H.18.2 CONTRACTOR RESPONSIBILITY**

The Contractor shall submit the following **declaration** with all data submitted under this Contract.

**"TECHNICAL DATA **DECLARATION**"**

"The Contractor, \_\_\_\_\_, hereby **declares** that to the best of its knowledge and belief the technical data delivered herewith under Government Contract No. \_\_\_\_\_, Task Order No. \_\_\_\_\_, are complete, accurate, and comply with the requirements of the Contract and the associated Task Order, when applicable, concerning such technical data."

**H.18.3 GOVERNMENT OPTIONS**

The Government may, in consideration of this **declaration**, require correction of any deficiencies in delivered data at any time during the life of the Contract. The Government CO may determine the time in which the Contractor must deliver corrected data; however, such time period will never be less than two (2) weeks unless the Government and the Contractor agree to a shorter period of time.

Unauthorized markings on data shall not be considered a deficiency for the purpose of this clause, but will be treated in accordance with FAR 52.227-14 (Rights in Data - General) referenced in Section I.

**H.19 ORGANIZATIONAL CONFLICT OF INTEREST**

Under this contract, the Contractor may be tasked to help prepare for and/or conduct an IT acquisition. In such cases, the Contractor may be required to sign an organizational conflict of interest statement in which the Contractor (and any subcontractors or teaming partners) agree not to submit a proposal, or provide support to a proposing firm (either prime or subcontractor) which is submitting a proposal, under any solicitation resulting from the work performed in the Millennia Lite task. The Government will strive to identify this type of situation in the Task Order Request. All potential conflict of interest situations shall be handled in accordance with FAR 9.5.

All Contractor personnel (to include Subcontractors and consultants) who will be personally and substantially involved in the performance of any TO issued under this Contract which requires the Contractor to act on behalf of, or provide advice with respect to any phase of an agency procurement, as defined in FAR 3.104-4, shall execute and submit an "Employee/Contractor Non-Disclosure Agreement" Form (See Attachment J-10). This is required prior to the commencement of any work on such TO and whenever replacement personnel are proposed under an ongoing TO.

**H.20 REQUIRED INSURANCE**

a. The Contractor shall procure and maintain insurance during the entire period of its performance under this Contract, in accordance with FAR 52.228-5, entitled "Insurance - Work on a Government Installation". The following minimum insurance is required.

(1) Worker's Compensation and Employers' Liability Insurance as required by applicable Federal and State worker's compensation and occupational disease statutes.

(2) Automobile Liability Insurance: Limits: \$200,000 per person for bodily injury, \$500,000 per occurrence for bodily injury, \$40,000 per occurrence for property damage.

(3) Comprehensive General Liability: \$500,000 per occurrence.

b. Prior to commencement of work hereunder, the Contractor shall furnish to the CO a certificate or written statement of the above-required insurance. The policies evidencing required insurance shall contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of the Government shall not be effective until thirty (30) days after written notice has been given and approved by the CO.

Each policy of insurance shall contain an endorsement that any cancellation or material change in the coverage adversely affecting the Government's interest shall not be effective unless the insurer or the Contractor gives written notice of cancellation or change, as required by the CO. When the coverage is

provided by self-insurance, the Contractor shall not change or decrease the coverage without the CO's prior approval.

A certificate of each policy of insurance shall be furnished to the CO within ten (10) days after notice of award certifying, among other things, the aforementioned endorsement. The insurance company providing the above insurance shall be satisfactory to the Government. Notice of policy changes shall be furnished to the CO. The substance of this clause shall be made to flow down to any Subcontractors.

## **H.21 INTERRELATIONSHIPS OF CONTRACTORS**

The Government has contracts to provide technical support in conducting studies, analyses, and engineering activities separate from the work to be performed under this contract, yet having links and interfaces to this contract. Further, the Government may extend these existing relationships or enter into new relationships. The Contractor may be required to coordinate with such other contractor(s) through the COR in providing suitable, non-conflicting technical interfaces and in avoidance of duplication of effort. By suitable tasking, such other contractor(s) may be requested to assist in the technical review of the Millennia Lite contractor's technical effort. Information on reports provided under this contract may, at the discretion of the Government, be provided to such other contractors for the purpose of such review.

## **H.22 SECTION K, REPRESENTATIONS, AND CERTIFICATIONS**

The representations and certifications in Section K, as executed and incorporated by reference into the basic Contract, remain in effect for each TO unless the Contractor initiates an update for the specific TO.

## **H.23 SERVICE IMPROVEMENTS**

a. After Contract award, the Government may solicit, and the Contractor is encouraged to propose independently, improvements to the skills, services, features, or other requirements of the Contract. These improvements may be proposed to save money, to improve performance, or for any other purpose which presents a service advantage to the Government. As part of the proposed changes, the Contractor shall submit a price proposal and revisions to the technical proposal to the PCO for evaluation. Those proposed service improvements that are acceptable to the Government will be processed as modifications to the Contract.

b. As a minimum, the following information shall be submitted by the Contractor with each proposal:

(1) A description of the difference between the existing Contract requirement and the proposed change, and the comparative advantages and disadvantages of each. This description shall include, in the case of addition or changes to skill categories, a brief description of the new or changed skill, clear

and concise explanation of pricing methodology. Supporting documentation may include data such as recognized national or regional surveys as well as studies of professional, public, and private organizations, used in establishing the proposed rate and compensation structure. The government may supplement the information provided in the proposal through Dun and Bradstreet reports, DCAA audits, available industry market rates, or other available means.;

(2) Itemized requirements of the Contract which must be changed if the proposal is adopted, and the proposed revision to the Contract for each such change;

(3) An estimate of the changes in performance and cost, if any, that will result from adoption of the proposal;

(4) An evaluation of the effects that the proposed changes would have on collateral costs to the Government, such as Government-furnished property costs, costs of related items, and costs of maintenance, operation, and conversion (including Government-premise equipment);

(5) A statement of the time by which the Contract modification adopting the proposal must be issued so as to obtain the maximum benefits of the changes during the remainder of this Contract including supporting rationale; and

(6) Any effect on the Contract or completion time or delivery schedule shall be identified.

c. The Government will not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The Contractor has the right to withdraw, in whole or in part, any proposal not accepted by the Government within the period specified in the proposal. The decision of the PCO as to the acceptance of any such proposal under this Contract is final and not subject to the "Disputes" clause of this Contract.

d. The PCO may accept any proposal submitted pursuant to this clause by giving the Contractor written notice thereof. This written notice will be given by issuance of a modification to the Contract. Unless and until a modification is executed to incorporate a proposal under the Contract, the Contractor shall remain obligated to perform in accordance with the requirements, terms, and conditions of the existing Contract.

e. If a proposal submitted pursuant to this clause is accepted and applied to this Contract issued hereunder, the equitable adjustment increasing or decreasing the Contract price shall be in accordance with the procedures of the "Changes" clause. The resulting Contract modification will state that it is made pursuant to this clause.

## **H.24 RESERVED**

## **H.25 RESERVED**



**H.26 SUBCONTRACTING PLAN**

The contractor's subcontracting plan accepted at award is incorporated and made a material part of this contract. The contractor shall submit the required SF 294 and SF 295 as required by the plan. If directed by the Contracting Officer, the contractor shall make available for Government review, pertinent information regarding the subcontractors performing under this contract. This information may include, but not be limited to, the following: the subcontractor's name and telephone number; the type of work being performed; the amount of the subcontract; the subcontract period; the size of the subcontractor' and tier level of the subcontractor's participation.

The contractor is further advised that the performance of its subcontracting plan and the achievement of its proposed small business goals will be monitored and the contractor's failure to make a good faith effort will be cause for the Contractor to pay Liquidated Damages in accordance with FAR 52.219-16 "Liquidated Damages – Subcontracting Plan."

**H.27 FTS SOLUTIONS DEVELOPMENT CENTER REVIEW**

The FTS Solutions Development Center reserves the right to review individual Task Orders to determine if contract provisions are being applied appropriately.

**H.28 AWARD TERM**

The initial three (3) year ordering period may be extended in accordance with FAR 52.217-9, on the basis of the evaluation score of the Award Term Plan criteria (Attachment J-7). The contractor's performance against the criteria will be evaluated as scheduled in the Award Term Plan. The performance measures identified in the Award Term Plan may be modified to meet the Government's needs and changing environment. Bilateral changes may be made to the Award Term Plan at any time during contract performance.

**H.29 ACCESS RAMP**

The contracting officer will reconsider approximately every two years the decision on the number of contracts and decide if it is advantageous for the Government to reopen the solicitation for consideration of additional awardees.

**H.30 ECONOMIC PRICE ADJUSTMENT**

a. The Contractor may request that prices in this contract be adjusted based upon adjustments to the William M. Mercer Information Technology Compensation Survey (hereinafter "Mercer") and the

procedures set forth below. The effective date for approved price adjustments will be the anniversary month and day of the contract award.

b. The initial prices in the contract will be in effect for three years from date of award of the contract. Subsequently, any annual adjustments requested by the Contractor may be approved for no more than the percentage change from the Mercer survey in effect during the previous contract year to the Mercer survey in effect for the current contract year. Example: Contract award date November 1, 1999. First anniversary date for price adjustments November 1, 2002; adjustment based on percentage change from Mercer survey in effect on November 1, 2001 to Mercer survey in effect on November 1, 2002.

If Mercer data is not available for any year, the year with the most recently published Mercer data shall be used as the basis for evaluating adjustment requests. If Mercer data becomes available for the subsequent year, the price(s) may be increased or decreased by the percentage change between the survey used in the previous year and the survey for the current year.

c. All requests for price adjustment must be made by the Contractor, in writing, not later than two months prior to contract anniversary date of the year in which the adjustment is to occur. Example: Contract anniversary date, November 1; request for adjustment must be received by the Contracting Officer not later than September 1. Requests must indicate the new labor rates desired, include documentation supporting the requested adjustments, and be accompanied by price tables showing the revised prices.

If the Contracting Officer does not receive a complete, properly supported request for an economic price adjustment by the close of business two months prior to the contract anniversary date of any given year, no adjustment will be allowed for the upcoming contract year and the prices in effect as of that date shall remain in effect until the last day of the upcoming contract year. Without a properly documented request for price adjustment, the Contractor waives its right to request a price adjustment for the upcoming contract year.

d. All requests for price adjustment shall be accompanied by supporting data. Such data shall be as extensive and verifiable as deemed appropriate by the Contracting Officer who shall also have full discretion for waiving the Contractor's obligation for submission of such data as a part of the request and review process called for under this clause. Any application for a price adjustment and all supporting data provided by the Contractor shall be subject to audit by representatives or agents of the U.S. Government, including, without limitation, representatives or agents either of the U.S. General Services Administration or of the U.S. General Accounting Office.

e. In no case will an upward adjustment exceed 10% regardless of the amount of change in the Mercer. If the factor exceeds 1.10, the factor 1.10 shall be used in all computations. The 10% limitation will not apply to downward adjustments. In the event of a decrease in Mercer, the Contracting Officer will proceed with the downward adjustment in the manner outlined in this clause.

f. For Mercer labor categories, adjustments will be made by increasing or decreasing the direct labor hourly rates by no more than the percent change from the Mercer survey of the previous year. The direct labor hourly rates will be multiplied by the percentage change in Mercer, rounded to three decimal places, to establish new direct labor hourly rates for the upcoming contract year. The resulting direct labor hourly rates, rounded to the nearest cent, will then be burdened with the contractor's fringe benefits, overhead, and G&A to calculate the Loaded Hourly Rate in effect for the 12-month period beginning on the contract anniversary date.

The price adjustment will be computed using the corresponding Mercer labor category, Base Salary 75th percentile for Computer Software/Services. If there is no data for Base Salary 75th percentile for Computer Software/Services, the Contracting Officer will use Complexity Level 4.

g. For non-Mercer labor categories, price adjustments will be made by increasing or decreasing the direct labor hourly rates by no more than the overall average percentage change applicable to the Mercer labor categories in the particular Functional Area involved. In making the computations, the direct labor hourly rates will be multiplied by the overall average percentage change, rounded to three decimal places, to establish new direct labor hourly rates for the upcoming contract year. The resulting direct labor hourly rates, rounded to the nearest cent, will then be burdened with the contractor's fringe benefits, overhead, and G&A to calculate the Loaded Hourly Rate in effect for the 12-month period beginning on the contract anniversary date.

h. Should Mercer be discontinued, the Contracting Officer will select a substitute which, in his/her judgment, will most appropriately serve as a replacement under this clause.

i. Under no circumstances shall any adjustment under this clause duplicate any pricing adjustments provided through any other provision of this contract or through any operation of law or other grounds for adjustment. If, at any time after the institution of an economic price adjustment of the contract prices under the terms of this clause, the contract prices require adjustment through the action of any other provision of this contract or through any operation of law or other grounds for adjustment, the Contracting Officer shall have a unilateral right to change, effective concurrently, the adjustment being provided under this clause, to the extent that the Contracting Officer deems such change necessary in order to avoid duplicate pricing adjustments.

j. Price adjustments under this clause will not apply to firm fixed price task orders awarded before the effective date of the adjustment.